

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SENATE BILL 1199

AN ACT

AMENDING TITLE 38, CHAPTER 5, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 38-722; AMENDING SECTION 38-797.02, ARIZONA REVISED STATUTES; MAKING AN APPROPRIATION; RELATING TO THE ARIZONA STATE RETIREMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 38, chapter 5, article 2, Arizona Revised Statutes,
3 is amended by adding section 38-722, to read:

4 38-722. Unclaimed monies; disposition

5 A. THE TRUST FUND ESTABLISHED BY SECTION 38-712 IS EXEMPT FROM TITLE
6 44, CHAPTER 3.

7 B. MONIES IN THE ASRS TRUST FUND AND THE LTD TRUST FUND ESTABLISHED BY
8 SECTION 38-797.02 ARE ASSUMED TO BE UNCLAIMED IF THE APPARENT OWNER HAS NOT
9 COMMUNICATED IN WRITING WITH ASRS AND HAS NOT OTHERWISE INDICATED AN INTEREST
10 IN THE MONIES FOR ANY THREE-YEAR PERIOD FOLLOWING THE REQUIRED BEGINNING DATE
11 OF DISTRIBUTIONS PURSUANT TO SECTION 38-775.

12 C. AT THE TIME THAT MONIES ARE PRESUMED TO BE UNCLAIMED PURSUANT TO
13 SUBSECTION B OF THIS SECTION, ANY OTHER PROPERTY RIGHT ACCRUED OR ACCRUING TO
14 THE OWNER AS A RESULT OF THE INTEREST IN THOSE MONIES, AND NOT PREVIOUSLY
15 PRESUMED TO BE UNCLAIMED, IS ALSO PRESUMED TO BE UNCLAIMED.

16 D. ANY INTEREST ACCRUING ON THE MONIES CEASES ON THE DATE THE MONIES
17 ARE PRESUMED TO BE UNCLAIMED.

18 E. ASRS SHALL DEPOSIT ALL UNCLAIMED MONIES IN EITHER THE ASRS TRUST
19 FUND OR THE LTD TRUST FUND ESTABLISHED BY SECTION 38-797.02, WHICHEVER IS
20 APPLICABLE AND SHALL ANNUALLY NOTIFY THE DEPARTMENT OF REVENUE ELECTRONICALLY
21 OF THE APPARENT OWNER'S NAME AND LAST KNOWN ADDRESS.

22 F. BEFORE MAKING THE DEPOSIT, ASRS SHALL ATTEMPT TO CONTACT THE
23 APPARENT OWNER IN WRITING. BEGINNING FIVE YEARS BEFORE THE APPARENT OWNER'S
24 REQUIRED BEGINNING DATE OF DISTRIBUTIONS PURSUANT TO SECTION 38-775 UNTIL
25 THREE YEARS AFTER THAT DATE, ASRS SHALL ANNUALLY SEND A LETTER TO THE
26 APPARENT OWNER NOTIFYING THE APPARENT OWNER OF THE OWNER'S ELIGIBILITY FOR A
27 RETIREMENT BENEFIT. IF THE LETTER ASRS SENDS THE APPARENT OWNER IS RETURNED
28 BY THE POSTAL AUTHORITY AS UNDELIVERABLE, THE ASRS SHALL MAKE A GOOD FAITH
29 ATTEMPT TO LOCATE THE APPARENT OWNER, INCLUDING CONTACTING ANY KNOWN
30 BENEFICIARY ON RECORD WITH ASRS, SEARCHING ANY AVAILABLE PUBLIC DATABASE TO
31 IDENTIFY THE ADDRESS OF THE APPARENT OWNER OR USING THE SERVICES OF A THIRD
32 PARTY ADDRESS VERIFICATION SERVICE. IF THE GOOD FAITH ATTEMPT TO LOCATE THE
33 APPARENT OWNER FAILS AND THE BASE AMOUNT OF THE UNCLAIMED MONIES IS THREE
34 HUNDRED DOLLARS OR MORE, ASRS MAY USE THE SERVICES OF A PEOPLE SEARCH
35 SERVICE. A FEE IMPOSED BY THE PEOPLE SEARCH SERVICE SHALL NOT BE DEDUCTED
36 FROM THE MEMBER'S BENEFIT.

37 G. IF AT ANY TIME THE APPARENT OWNER INDICATES AN INTEREST IN THE
38 MONIES, ASRS SHALL WITHDRAW THE MONIES FROM EITHER THE ASRS TRUST FUND OR THE
39 LTD TRUST FUND ESTABLISHED BY SECTION 38-797.02, WHICHEVER IS APPLICABLE, AND
40 PAY THE OWNER THE MONIES OR BENEFIT TO WHICH THE OWNER IS ENTITLED PURSUANT
41 TO SECTION 38-757, 38-762, 38-773, 38-775 OR 38-797.07.

1 Sec. 2. Section 38-797.02, Arizona Revised Statutes, is amended to
2 read:

3 38-797.02. LTD trust fund

4 A. ~~A~~ THE LTD trust fund is established for the purpose of paying
5 benefits under and costs of administering the LTD program.

6 B. The LTD TRUST fund consists of all monies paid into it in
7 accordance with this article, whether in the form of cash, securities or
8 other assets, and all monies received from any other source. THE LTD TRUST
9 FUND IS EXEMPT FROM TITLE 44, CHAPTER 3. UNCLAIMED MONIES SHALL BE DISPOSED
10 OF PURSUANT TO SECTION 38-722.

11 C. Custody, management and investment of the LTD TRUST fund are as
12 prescribed by this article and article 2 of this chapter.

13 Sec. 3. Appropriation; purpose; exemption

14 A. The sum of \$137,607 is appropriated from the Arizona state
15 retirement system administration account in fiscal year 2007-2008 to the
16 Arizona state retirement system for the administrative implementation of this
17 act.

18 B. The appropriation made in subsection A of this section is exempt
19 from the provisions of section 35-190, Arizona Revised Statutes, relating to
20 lapsing of appropriations.